#### **REMARKS**

Claims 1-30 were examined in a subject Office action dated May 02, 2008. In response thereto, claims 1, 2, 4, 7, 12, 13, 15-17, 20, 21, 24, 25, and 28-30 has been amended, claims 6, 26 and 27 have been canceled, claims 31 and 32 have been added, and claims 3, 5, 8-11, 14, 18, 19, 22, and 23 remain pending in the subject application under active prosecution. Applicants assert that the amendments are supported by the originally filed specification and do not introduce new subject matter. Favorable reconsideration of the subject patent application is respectfully requested in view of the comments and amendments herein.

This Supplemental Reply corrects the status identifier for claim 31 from "currently amended" to "New" in response to a Notice dated 15 September 2008.

Applicants appreciate the courtesy extended to their representative David Franklin in conducting an interview on 04 June 2008. The amendments and remarks made herein are consistent with and encompass those discussed during the interview.

In particular, Applicants appreciate the indication that claim 20 is directed to allowable subject matter if rewritten in independent form and amended to overcome the 101 rejection. To that end, the allowable subject matter of claim 20 has been rewritten in independent form as claims 20, 31 and 32, each directed to one of the three equations cited as a group previously. Each claim also now recites recording the media containing the embedded mark value on a computer-readable storage medium to overcome the §101 rejection.

#### I. Rejection of Claims 1-26 and 28 Under 35 U.S.C. § 101

Claims 1-26 and 28 stand rejected under 35 U.S.C. §101 as being directed to non-statutory subject matter. Each independent claim 1, 15, 20, 31 and 32 have been amended to recite recording the media containing the embedded mark value on a computer-readable storage medium to overcome the §101 rejection. Request withdrawal of the rejection for claims 1-26 and 28.

# II. Rejection of Claims 13 and 25 Under 35 U.S.C. § 112, 2<sup>nd</sup> Para.

Claims 13 and 25 stand rejected under 35 U.S.C. §112, 2<sup>nd</sup> paragraph, as being indefinite for using "approximately" in reference to "100 Hz" and "3000 Hz" that was deemed to be insufficiently defined. To obviate the rejection, the term "approximately" has been deleted from claims 13 and 25.

# III. Rejection of Claims 6, 7 and 26 Under 35 U.S.C. § 103(a)

Due to an amendment to the independent claims, the rejections are taken out of order for clarity, beginning with Paragraph VI on page 8 of the subject Office action.

Claims 6, 7 and 26 stand rejected under 35 U.S.C. §103(a) as being unpatentable over Ogino et al. (U.S. Publ. No. 2004/0003253) in view of Liang (U.S. Pat. No. 6,373,965). Claim 26 is canceled. It is respectfully submitted that this rejection should be withdrawn for at least the following reasons. The combination of Ogino and Liang fails to teach all of the claim limitations.

"Under 35 U.S.C. 103 where the examiner has relied on the teachings of several references, the test is whether or not the references viewed individually and collectively would have suggested the claimed invention to the person possessing ordinary skill in the art. It is to be noted, however, that citing references which merely indicated that isolated elements and/or features recited in the claims are known is not a sufficient basis for concluding that the combination of claimed elements would have been obvious. That is to say, there should be something in the prior art or a convincing line of reasoning in the answer suggesting the desirability of combining the references in such a manner as to arrive at the claimed invention... [I]t would not have been obvious to modify [the prior art] ... without using [the patent application's] claims as a guide. It is to be noted that simplicity and hindsight are not proper criteria for resolving the issue of obviousness." Ex parte Hiyamizu, 10 USPQ2d 1393 (BPAI 1988).

Turning to claim 1, the claim as amended recites in part a mark generator

component that utilizes, at least in part, biased, randomized statistics to determine at least one mark value for digital media by generating a plurality of areas of a two-dimensional form of the digital media each area selected to have portion exclusive of any other area and an overlapping portion encompassed by all of the areas. Additional features of claim 6 that depends from intervening claim 2 have been added to claim 1. Thus, claim 6 has been canceled. In addition, "media" has been clarified by amending to recite "digital media".

In rejecting claim 6, the Examiner relied upon Liang at Col. 15, lines 1-10 to teach randomly generated areas comprising a plurality of randomly generated areas with a subset of overlapping areas. Although the aspect of making these areas random still resides in dependent claim 2, Applicants point out that Liang is teaching printing of visible and florescent inks in various patterns that are difficult for counterfeiters to reproduce. In Liang, authentication is made by comparing the printing under visible and ultraviolet light. As such, any overlapping of the printing differs in a substantial way from digital media. In particular, Liang does not teach or suggest overlapping digital watermarks. Consequently, Liang nor the other cited references teach or suggest the claimed invention. Reconsideration and allowance of claim 1 is respectfully requested, as well as for 2-5, 7-14, 28 and 30 that depend there from.

Turning to independent claim 15, the claim as amended recites in part utilizing, at least in part, biased, randomized statistics to determine at least one mark value for <u>digital</u> media <u>by generating a plurality of areas of a two-dimensional form of the digital media</u> <u>each area selected to have portion exclusive of any other area and an overlapping portion encompassed by all of the areas</u>. Thus, claim 15 recites a feature in method form discussed above with regard to claim 1. For the reasons given above claim 1, the claim as amended is not taught or suggested by the cited references. Consequently, reconsideration and allowance is respectfully requested for claim 15, as well as for claim 16-25 and 29 that depend there from.

# IV. Rejection of Claims 1-2, 8-12, 15, 24, and 28-30 rejected Under 35 U.S.C. § 102(e)

In Paragraph II of the subject Office action, claims 1-2, 8-12, 15, 24, and 28-30 stand rejected under 35 U.S.C. §102(e) as being anticipated by Ogino et al. (US Publ. No. 2004/0003253 A1). In light of the amendments discussed above, this basis for the rejection has been obviated.

# V. Rejection of Claims 3 and 21 rejected Under 35 U.S.C. § 103(a)

In Paragraph IV of the subject Office action, claims 3 and 21 stand rejected under 35 U.S.C. §103(a) as being anticipated by Ogino in view of Alattar (U.S. Pat. Publ. No. 2002/0009208). In light of the amendments discussed above, this basis for the rejection has been obviated. The additional cited reference of Malvar fails to correct for the deficiency in the previously discussed references. As depending from allowable base or intervening claims, claims 3 and 21 should likewise be allowable.

## VI. Rejection of Claims 4 and 5 rejected Under 35 U.S.C. § 103(a)

In Paragraph V of the subject Office action, claims 4 and 5 stand rejected under 35 U.S.C. §103(a) as being anticipated by Ogino in view of Malvar et al. (U.S. Pat. No. 6,496,795). In light of the amendments discussed above, this basis for the rejection has been obviated. The additional cited reference of Malvar fails to correct for the deficiency in the previously discussed references. As depending from allowable base or intervening claims, claims 4 and 5 should likewise be allowable.

#### VII. Rejection of Claims 13 and 25 rejected Under 35 U.S.C. § 103(a)

In Paragraph VII of the subject Office action, claims 4 and 5 stand rejected under 35 U.S.C. §102(e) as being anticipated by Ogino in view of Sato et al. (U.S. Pat. No. 7,299,189). In light of the amendments discussed above, this basis for the rejection has been obviated. The additional cited reference of Sato fails to correct for the deficiency in the previously discussed references. As depending from allowable base or intervening claims, claims 13 and 25 should likewise be allowable.

## VIII. Rejection of Claim 14 rejected Under 35 U.S.C. § 103(a)

In Paragraph VIII of the subject Office action, claim 14 stands rejected under 35 U.S.C. §103(a) as being anticipated by Ogino in view of Iu et al. (U.S. Pat. No. 6,901,514). In light of the amendments discussed above, this basis for the rejection has been obviated. The additional cited reference of Iu fails to correct for the deficiency in the previously discussed references. As depending from allowable base or intervening claims, claim 14 should likewise be allowable.

# IX. Rejection of Claims 16 and 19 rejected Under 35 U.S.C. § 103(a)

In Paragraph IX of the subject Office action, claims 16 and 19 stand rejected under 35 U.S.C. §103(a) as being anticipated by Ogino in view of Bradley et al. (U.S. Pat. Publ. No. 2004/0159614). In light of the amendments discussed above, this basis for the rejection has been obviated. The additional cited reference of Bradley fails to correct for the deficiency in the previously discussed references. As depending from allowable base or intervening claims, claims 16 and 19 should likewise be allowable.

# X. Rejection of Claims 17 and 18 rejected Under 35 U.S.C. § 103(a)

In Paragraph X of the subject Office action, claims 16 and 19 stand rejected under 35 U.S.C. §103(a) as being anticipated by Ogino and Bradley et al. in view of Malvar et al.. In light of the amendments discussed above, this basis for the rejection has been obviated. As depending from allowable base or intervening claims, claims 17 and 18 should likewise be allowable.

### XI. Rejection of Claims 22 and 23 rejected Under 35 U.S.C. § 103(a)

In Paragraph XI of the subject Office action, claims 22 and 23 stand rejected under 35 U.S.C. §103(a) as being anticipated by Ogino and Bradley et al. in view of Alattar et al.. In light of the amendments discussed above, this basis for the rejection has been obviated. As depending from allowable base or intervening claims, claims 22 and

23 should likewise be allowable.

#### **CONCLUSION**

The present application is believed to be in condition for allowance in view of the above comments and amendments. A prompt action to such end is earnestly solicited.

In the event any fees are due in connection with this document, the Commissioner is authorized to charge those fees to Deposit Account No. 50-1063.

Should the Examiner believe a telephone interview would be helpful to expedite favorable prosecution, the Examiner is invited to contact the undersigned representative at the telephone number below.

Respectfully submitted,
AMIN, TUROCY & CALVIN, LLP

/David E. Franklin/ David E. Franklin Reg. No. 39,194

AMIN, TUROCY & CALVIN, LLP 127 Public Square 57<sup>th</sup> Floor, Key Tower Cleveland, Ohio 44114 Telephone (216) 696-8730 (Receptionist) Telephone (513) 774-0903 (Direct) Facsimile (216) 696-8731